

**Before the
Federal Communications Commission
Washington, D.C. 20554**

In the Matter of)	File No. EB-05-IH-2503
)	
TELUS Communications, Inc.)	NAL/Acct. No. 200732080032
TELUS Communication Company)	
)	FRN No. 0004-9899-76
)	0015-7903-63

ORDER

Adopted: September 27, 2007

Released: September 28, 2007

By the Chief, Enforcement Bureau:

1. In this Order, we adopt the attached Consent Decree entered into between the Enforcement Bureau (“Bureau”) of the Federal Communications Commission (the “Commission”), TELUS Communications, Inc. and TELUS Communications Company (collectively “TELUS”). The Consent Decree terminates the enforcement proceeding initiated by the Enforcement Bureau against TELUS for possible violations of Sections 9, 225, 251, and 254 of the Communications Act of 1934, as amended (“the Act”),¹ relating to universal service, and, among others, sections 1.1157, 52.17, 54.706, 54.711, 64.604, and 64.1195 of the Commission’s rules relating to universal service, the Telecommunications Relay Service (“TRS”) Fund, the North American Numbering Plan (“NANP”) administration, regulatory fees, and carrier registration.²

2. The Commission and TELUS have negotiated the terms of a Consent Decree that resolves this matter. A copy of the Consent Decree is attached hereto and incorporated by reference.

3. Based on the record before us, and in the absence of material new evidence relating to this matter, we conclude that there are no substantial or material questions of fact as to whether TELUS possesses the basic qualifications, including those related to character, to hold or obtain any Commission license or authorization.

4. After reviewing the terms of the Consent Decree, we find that the public interest will be served by adopting the Consent Decree.

5. Accordingly, **IT IS ORDERED** that, pursuant to Section 4(i) of the Communications Act of 1934, as amended,³ the Consent Decree attached to this Order **IS ADOPTED**.

¹ 47 U.S.C. §§ 9, 225, 251, 254.

² 47 C.F.R. §§ 1.1157, 52.17, 54.706, 54.711, 64.604, 64.1195.

³ 47 U.S.C. § 154(i).

6. **IT IS FURTHER ORDERED** that the above-captioned investigation **IS TERMINATED**.

FEDERAL COMMUNICATIONS COMMISSION

Kris Anne Monteith
Chief, Enforcement Bureau

**Before the
Federal Communications Commission
Washington, DC 20554**

In the Matter of)	File No. EB-05-IH-2503
)	
TELUS Communications, Inc.)	NAL/Acct. No. 200732080032
TELUS Communications Company)	
)	FRN No. 0004-9899-76
)	0015-7903-63

CONSENT DECREE

1. The Enforcement Bureau of the Federal Communications Commission (the “Bureau”), TELUS Communications, Inc., and TELUS Communications Company (collectively “TELUS”), by their authorized representatives, hereby enter into this Consent Decree for the purpose of terminating the Bureau’s investigation into TELUS’ compliance with Sections 9, 225, 251, and 254 of the Communications Act of 1934, as amended (the “Act”),¹ relating to universal service, the Telecommunications Relay Service (“TRS”) Fund, the North American Numbering Plan Administration (“NANPA”), and regulatory fees.

2. For the purposes of this Consent Decree, the following definitions shall apply:

- (a) “Act” means the Communications Act of 1934, as amended, 47 U.S.C. § 151 *et seq.*
- (b) “Adopting Order” means an order of the Bureau adopting this Consent Decree.
- (c) The “Bureau” means the Enforcement Bureau of the Federal Communications Commission.
- (d) The “Commission” or “FCC” means the Federal Communications Commission and all of its bureaus and offices.
- (e) “Effective Date” means the date on which the Commission releases the Adopting Order.
- (f) “Investigation” means the investigation commenced by the Bureau’s January 6, 2006 Letter of Inquiry² regarding whether TELUS violated the requirements of Sections 9, 225, 251, and 254 of the Act³ and/or sections 1.1157, 52.17, 54.706, 54.711, 64.604, and 64.1195 of the Commission’s rules relating to carrier registration, universal service, the Telecommunications Relay Service, the North American Numbering Plan administration, and regulatory fees.⁴

¹ 47 U.S.C. §§ 9, 225, 251, 254.

² See Letter from Eric J. Bash, Assistant Chief, Investigations and Hearings Division, Enforcement Bureau, FCC, to Robert Ostapchuk, Senior Regulatory Legal Counsel, Telecom Policy & Regulatory Affairs, TELUS Communications, Inc., dated January 6, 2006 (“January 6, 2006 LOI”).

³ 47 U.S.C. §§ 9, 225, 251, 254(d).

⁴ 47 C.F.R. §§ 1.1157, 52.17, 54.706, 54.711, 64.604, 64.1195.

- (g) “Parties” means TELUS and the Bureau.
- (h) “Rules” means the Commission’s regulations set forth in Title 47 of the Code of Federal Regulations.
- (i) “TELUS” means TELUS Communications, Inc., TELUS Communications Company and their successors or assigns.

I. BACKGROUND

3. Pursuant to section 64.1195(a) of the Commission’s rules and pursuant to Commission orders, all carriers that provide interstate telecommunications service and certain other providers of interstate telecommunications must register with the Commission through submission of FCC Form 499-A.⁵ In addition, section 254(d) of the Act and sections 54.706, 54.711, and 54.713 of the rules require telecommunications carriers that provide interstate telecommunications services to file annual and quarterly Telecommunications Reporting Worksheets (FCC Form 499-A and FCC Form 499-Q) and contribute to the Universal Service Fund (“USF”) on the basis of their interstate and international end-user telecommunications revenues.

4. Pursuant to Section 251(e) of the Act and section 52.17 of the rules, all telecommunications carriers are required to contribute to the costs of establishing numbering administration based on information contained in FCC Form 499-A and FCC Form 499-Q.

5. Pursuant to Section 225(b)(1) of the Act and section 64.604 of the rules, telecommunications carriers that provide interstate telecommunications services are required to contribute to the TRS fund, based on information contained in FCC Form 499-A and FCC Form 499-Q.

6. Pursuant to Section 9(a)(1) of the Act and sections 1.1151, 1.1154, and 1.1157(b)(1) of the Commissions rules, interstate telecommunications carriers are required to pay regulatory fees.

7. TELUS offers interstate and international telecommunications services and is subject to the requirements discussed in paragraphs 3 through 6 above.

8. TELUS is a Canada-based telecommunications carrier that provides telecommunications to end users and carrier-customers, including international and interstate telecommunications service in the United States. TELUS provides international switched long-distance service to and from the United States for its Canadian telecommunications customers. In addition, TELUS provides international private

⁵ 47 U.S.C. § 254(d), 47 C.F.R. § 64.1195(a); *Universal Service Contribution Methodology, Federal-State Joint Board on Universal Service, 1998 Biennial Regulatory Review – Streamlined Contributor Reporting Requirements Associated with Administration of Telecommunications Relay Service, North American Numbering Plan, Local Number Portability, and Universal Service Support Mechanisms, Telecommunications Services for Individuals with Hearing and Speech Disabilities, and the Americans with Disabilities Act of 1990, Administration of the North American Numbering Plan and North American Numbering Plan Cost Recovery Contribution Factor and Fund Size, Number Resource Optimization, Telephone Number Portability, Truth-In-Billing and Billing Format, IP-Enabled Services*, Report and Order and Notice of Proposed Rulemaking, WC Docket Nos. 06-122 and 04-36, CC Docket Nos. 96-45, 98-171, 90-571, 92-237, 99-200, 95-116, and 98-170, 21 FCC Rcd 7518, 7548-49, para. 61 (2006).

line and international frame relay services to locations in the United States through a combination of domestic leased facilities and its own limited facilities in the United States⁶

9. On January 6, 2006, the Bureau issued a letter of inquiry (“LOI”) directing TELUS, among other things, to submit a sworn written response to a series of questions relating to TELUS’ apparent failure to satisfy its registration, filing and payment obligations.⁷ TELUS registered with the Commission by filing an initial Form 499-A on January 27, 2006. On March 2, 2006, TELUS filed its response to the LOI with the Commission. As of the Effective Date, TELUS has paid all invoiced amounts relating to universal service, the TRS Fund, NANPA, and regulatory fees.

II. AGREEMENT

10. The Parties agree and acknowledge that this Consent Decree shall constitute a final settlement between the Parties of the Investigation. In express reliance on the covenants and representations in this Consent Decree, the Commission agrees to terminate the Investigation without any finding of liability or violations on the part of TELUS. In consideration for the termination of the Investigation and in accordance with the terms of this Consent Decree, TELUS agrees to the terms, conditions, and procedures contained herein.

11. TELUS acknowledges that the Commission has jurisdiction over the matters contained in this Consent Decree and the authority to enter into and adopt this Consent Decree.

12. The Parties agree that this Consent Decree does not constitute either an adjudication on the merits or a factual or legal finding or determination regarding any compliance or noncompliance with the requirements of the Act or the Commission’s rules and orders. The Parties agree that this Consent Decree is for settlement purposes only and that by agreeing to this Consent Decree, TELUS does not admit or deny liability for violating any statute, regulation, or administrative rule in connection with the matters that are the subject of this Consent Decree.

13. TELUS will make a voluntary contribution to the United States Treasury in the amount of four hundred and fifty thousand dollars (\$450,000 US), with two hundred and twenty-five thousand dollars (\$225,000 US) to be paid within thirty (30) calendar days from the Effective Date and an additional two hundred and twenty-five thousand dollars (\$225,000 US) to be paid within ninety (90) days thereafter. The payment must be made by check or similar instrument, payable to the order of the Federal Communications Commission. The payment must include “Acct. No. 200732080032 and “FRN No. 0004-9899-76 and 0015-7903-63.” Payment by check or money order may be mailed to Federal Communications Commission, P.O. Box 358340, Pittsburgh, PA 15251-8340. Payment by overnight mail may be sent to Mellon Bank /LB 358340, 500 Ross Street, Room 1540670, Pittsburgh, PA 15251. Payment by wire transfer may be made to ABA Number 043000261, receiving bank Mellon Bank, and account number 911-6229.

14. TELUS agrees that it will develop, within sixty (60) calendar days from the Effective Date, an internal Compliance Plan to ensure TELUS’ future compliance with the Act, the Commission’s rules, and the Commission’s orders governing telecommunications carriers’ reporting and contribution requirements for universal service and other Commission programs. The Compliance Plan shall include the following components:

⁶ See Letter from Willie Grieve, Vice President, Telecom Policy & Regulatory Affairs, TELUS Communications, Inc., dated March 1, 2006 (“LOI Response”) at Inquiry 4.

⁷ See January 6, 2006 LOI.

- (a) Compliance Manual. TELUS shall create, maintain and update an FCC Compliance Manual. TELUS personnel who engage in activities related to FCC regulation of TELUS will have ready access to the Compliance Manual and are to follow the procedures contained therein. The Compliance Manual will, among other things, describe the rules and requirements as they apply to TELUS regarding the annual regulatory fee, the USF, TRS Fund, and NANPA. The Compliance Manual will set forth a schedule of filing and payment dates associated with these regulatory programs, and TELUS will create compliance notifications that alert TELUS to upcoming filing and payment dates. The Compliance Manual will encourage personnel to contact TELUS' Designated Contact, Regulatory Legal Counsel, Regulatory Services Advisors, and/or Vice President, Telecom Policy and Regulatory Affairs with any questions or concerns that arise with respect to the TELUS' FCC compliance. TELUS shall submit to the Bureau a final version of its Compliance Manual sixty (60) days after the Effective Date.
- (b) Compliance Training Program. TELUS will establish an FCC compliance training program for any employee who engages in activities related to FCC regulation of TELUS. Training sessions will be conducted at least annually for such employees to ensure compliance with the Act and the FCC's regulations and policies and, for new employees who are engaged in such activities, within the first sixty (60) days of employment.
- (c) Designated Contact. TELUS will designate one employee as the point of contact for all FCC compliance matters.
- (d) Review and Monitoring. TELUS will review the FCC Compliance Manual and FCC Compliance Training Program annually to ensure that they are maintained in a proper manner and continue to address the objectives set forth therein.
- (e) Audits. TELUS will ensure that any internal audit reviews of this Compliance Plan, if conducted, specifically consider compliance with FCC regulatory requirements.
- (f) Annual Report. Twelve (12) months and twenty-four (24) months after the Effective Date, TELUS shall submit an affidavit or declaration under penalty of perjury, signed and dated by an authorized representative of TELUS with personal knowledge of the representations therein, verifying that TELUS has complied with the terms of this Consent Decree. The declaration or affidavit must comply with Section 1.16 of the Commission's rules, 47 C.F.R. § 1.16, and be substantially in the form set forth therein. The declaration shall be submitted to Chief, Investigations and Hearings Division, Enforcement Bureau, Federal Communications Commission, 445 12th Street, S.W., Washington, D.C. 20554.
- (g) Termination. TELUS' obligations under this Paragraph shall expire twenty-four (24) months after the Effective Date.

15. The Commission agrees that in the absence of new material evidence it will not use the facts developed in this Investigation through the Effective Date, or the existence of this Consent Decree to institute, on its own motion, any new proceeding, formal or informal, or take any action on its own motion against TELUS concerning the matters that were the subject of the Investigation. The Commission also agrees that it will not use the facts developed in this Investigation through the Effective Date, or the existence of this Consent Decree, to institute on its own motion any proceeding, formal or informal, or take any action on its own motion against TELUS with respect to TELUS' basic

qualifications, including its character qualifications, to be a Commission licensee or authorized common carrier.

16. Nothing in this Consent Decree shall prevent the Commission or its delegated authority from adjudicating any formal or informal complaint filed against TELUS pursuant to Section 208 of the Act, 47 U.S.C. § 208, and to take action in response to such formal complaint. If any such complaint is made, the adjudication of that complaint will be based solely on the record developed in that proceeding and the Commission shall not use any facts developed through the Investigation or the existence of this Consent Decree in any such proceeding. Except as expressly provided in this Consent Decree, nothing herein shall prevent the Commission or its delegated authority from investigating new evidence of noncompliance by TELUS of the Act, the Commission's rules, or this Consent Decree.

17. TELUS waives any and all rights it may have to seek administrative or judicial reconsideration, review, appeal or stay or to otherwise challenge or contest the validity of this Consent Decree and the Adopting Order, provided the Adopting Order adopts this Consent Decree without change, addition, deletion or modification. TELUS shall retain the right to challenge Commission interpretation of the Consent Decree or any terms contained herein.

18. TELUS' decision to enter into this Consent Decree is expressly contingent upon the Bureau's issuance of the Adopting Order without change, addition, deletion or modification.

19. In the event that this Consent Decree is rendered invalid by any court of competent jurisdiction, it shall become null and void and may not be used in any manner in any legal proceeding.

20. The Parties agree that if either Party (or the United States on behalf of the Commission), brings a judicial action to enforce the terms of the Adopting Order, neither TELUS nor the Commission shall contest the validity of the Consent Decree or the Adopting Order, and TELUS will waive any statutory right to a trial *de novo* regarding the terms or validity of the Consent Decree. TELUS, however, may present evidence that it has not violated the Consent Decree.

21. Upon release, the Adopting Order and this Consent Decree shall have the same force and effect as any other order of the Commission. Any violation of any term of this Consent Decree shall constitute a separate violation of a Commission order entitling the Commission to exercise any rights and remedies authorized by law attendant to the enforcement of a Commission order.

22. The Parties also agree that if any provision of the Consent Decree conflicts with any subsequent rule or order adopted by the Commission (except an order specifically intended to revise the terms of this Consent Decree to which TELUS does not expressly consent) that provision will be superseded by such Commission rule or order.

23. The Parties acknowledge that TELUS neither waives nor alters its rights to assert and seek protections from disclosure of any privileged or otherwise confidential and protected documents and information or to seek appropriate safeguards of confidentiality for any competitively sensitive or proprietary information.

24. TELUS agrees to waive any claims it may otherwise have under the Equal Access to Justice Act, 5 U.S.C. § 504 and 47 C.F.R. § 1.1501 et seq., relating to the matters addressed in this Consent Decree.

25. TELUS and the Commission each represents and warrants to the other that it has full power and authority to enter into this Consent Decree.

26. This Consent Decree may be signed in counterparts.

Kris Anne Monteith
Chief, Enforcement Bureau
Federal Communications Commission

Date

Janet Yale, Executive Vice-President, Corporate
Affairs, TELUS Communications Company

Date